



# Vendor Master Chaos: Are Material Procure-to-Pay Risks Lurking?

March 16, 2005

**A/P** *RECAP*

**170**  
SYSTEMS

# Introductions

- Rakesh Shukla  
Co-Founder  
170 Systems, Inc.
- Jon Casher  
Chairman  
RECAP Inc.

# Webcast Outline

## ■ Discussion Topics

- 170 Systems introduction
- Vendor Master File Risks & Best Practices
- Leveraging Technology

## ■ Q & A

- Submit questions via “chat” tab
- Question and Answer follow-up via e-mail

## ■ Polling Questions and Results

## ■ Survey



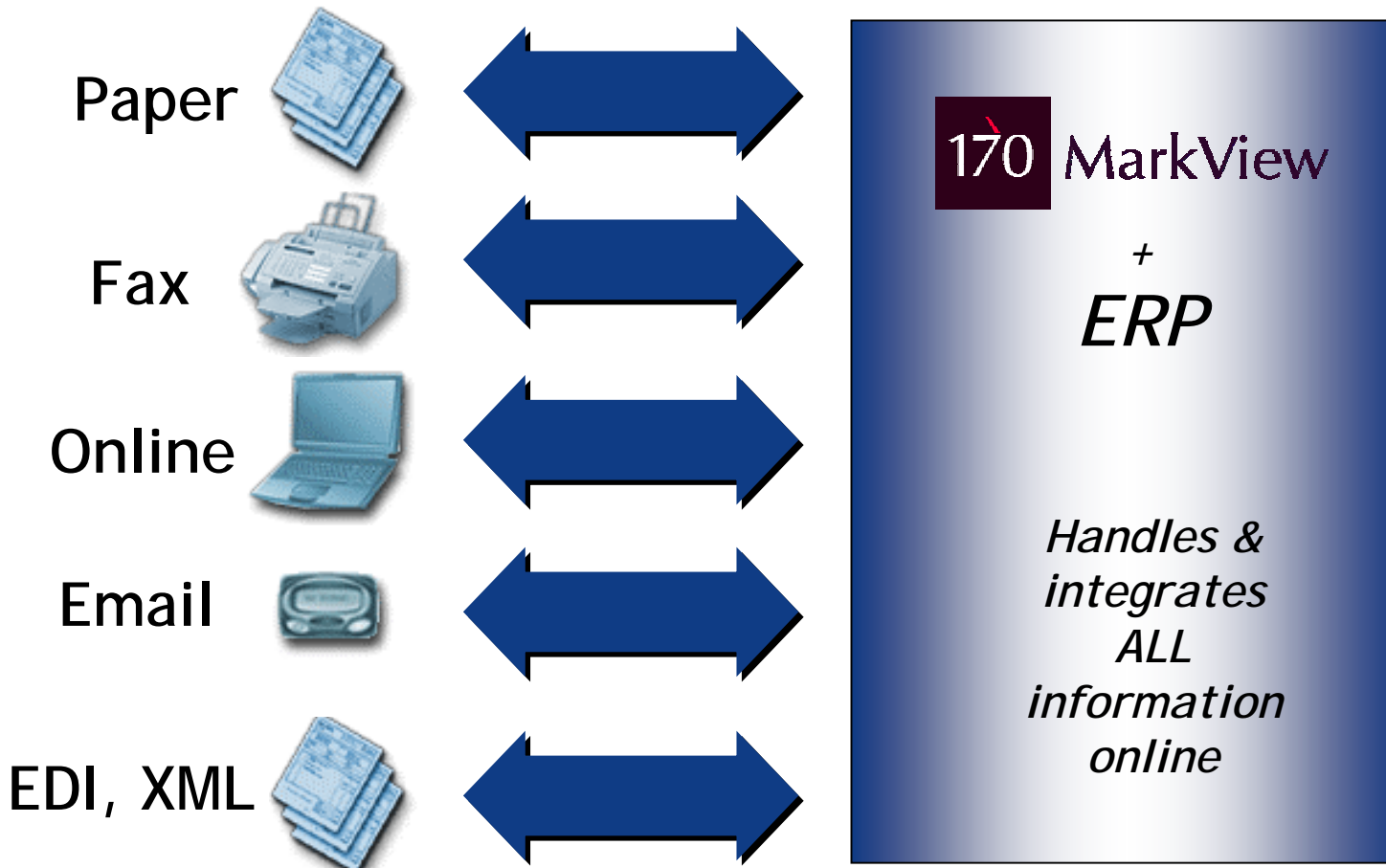
# About 170 Systems®

- 170 Systems is the leading provider of software products and services that capture and manage all of the information associated with core financial functions.
  - Compelling ROI by eliminating costs and time associated with manual, paper-based processes
  - Strong Internal Controls that reduce fraud and errors by automatically enforcing corporate policies and procedures with full reporting and audit capabilities
  - World-Class Best Practices via automated workflows seamlessly integrated with your existing ERP investment

**Comply and Have Your ROI too!**

# 170 MarkView<sup>®</sup>

## Business Process Automation & Imaging



A/P RECAP

# 170 MarkView Proven & Scalable

- 200-4000 users per installation
- Transaction volumes
  - All financial transactions for Fortune 100 size companies
  - Millions per year per customer
  - Tens of thousands per day
- Document Volumes
  - Many customers with many millions of documents online
- Data Volumes
  - Many customers with terabytes of data online

# 170 MarkView Proven & Scalable (Cont.)



- System architecture designed for scalability above these already customer-proven levels
- Run by Global 2000 businesses in over 40 countries worldwide

# 170 Systems' Partial Customer List

- Academy Schools
- ADVO
- AmeriCredit
- Dell EMEA
- Eaton
- Electronic Arts
- Atmos Energy
- AT&T USA
- AT&T International
- BellSouth
- Boral Bricks
- Brocade
- Burson-Marsteller
- Canon
- Carlson Companies
- Cendian
- CIGNA
- Citigroup
- Clipay Corporation
- Consumers Union
- Dun & Bradstreet
- Embry-Riddle Aeronautical University
- Equant
- Essilor
- E-Trade
- First American Real Estate
- Gaylord Entertainment
- GE Real Estate
- GE Corporate
- GE Energy
- GIA
- Granite Services
- GreenPoint Financial
- Harvard University
- Inter-Tel
- JP Morgan Chase
- Juniper Networks
- Intracorp
- Igloo
- Kerr-McGee
- Lansing Community College
- The Macerich Company
- Magellan Midstream Partners
- Maritz
- MasterCard
- Marsh
- Mattel
- Meredith Corporation



# 170 Systems' Partial Customer List

- Millipore
- Mirant
- NCS Pearson
- NCR
- New Line Cinema
- NYC Housing Development Corporation
- Nordstrom
- Overture/Yahoo
- Princess P&O Cruise Lines
- RCN
- Reader's Digest
- Reuters
- Ryerson University
- San Diego State University
- Schreiber Foods
- Scottish Legal Aid Board
- Seagate
- Select Medical Corporation
- Smith International
- The JM Smucker Company
- Sony Corporation
- Suffolk Construction
- Toronto Dominion Bank
- Toyota Europe
- TUI
- Unisys-Liberata
- US Government Dept. of Transportation
- US Government --FAA
- US - Government
- US Government -- Coast Guard
- Vectren
- Verizon Wireless
- Williams
- Xansa (BT, O2, My Travel)
- Warner Music

# 170 MarkView Applications

## 170 Financial Suite

- Purchase-to-Pay
  - Accounts Payable
  - Purchasing
  - Expense Management
  - Contract Management
- Accounts Receivable
- General Ledger
- Fixed Assets
- Compliance and Internal Controls

## Additional ERP-Centric Solutions

Property Management  
HR  
Project Management  
More

# RECAP Services

- Payment Recovery
- Escheatment Reduction
- Vendor Management
- Vendor Leverage
- A/P and Purchasing Consulting
- Mergers & Acquisitions
- Consolidations & Conversions
- Information Services

# Overview

- Your Vendor File - A Strategic Resource
- Key Goals - Vendor Management
- A Vendor Management Program
- Best Practices

# Your Vendor Master File

## A Strategic Resource



- Vendor file is a key corporate resource
- Ownership belongs in Accounts Payable
  - Many disbursements are made by A/P to payees that typically do not have involvement with purchasing
    - tax payments, garnishments, employee reimbursements, donations are some examples



# Vendor File Issues

## Why Vendor Files Grow

- Name entered differently by your staff
- Vendor changes its name
- Street Address and/or Lock Box changes
- Mergers
  - by your organization and by your vendors
- Acquisitions
  - by your organization and by your vendors
- Divestitures
  - by your vendors

# Vendor File Issues

## Other Vendor File Problems

- Purchasing and A/P use Different Files
- Inconsistent Names
- Inconsistent or Incomplete Addresses
- Zip Code Changes
- Inconsistent Phone Number Formats
- Area Code Changes
- Missing or Invalid Tax Ids.
- Missing or Incorrect 1099 Categories
- Names Inconsistent with Tax Ids.
- Missing or Inconsistent Terms

# Vendor File Issues

## Some Aspects of The Problem



- 20% - 80% of vendors in current vendor master files have had no activity within the last 12 months
- 35% - 65% of “active” vendors are one-time vendors
- 50% of vendors are 1% of dollar volume and 5% of transaction volume
- 3%-7% of vendors change their name annually

# Vendor Management Key Goals



- Catch / reduce fraud
- Know your vendors
- Comply with laws and regulations
- Know where you spend money
- Reduce duplicate payments
- Save money

# Catch / Reduce Fraud



# Vendor Fraud

- Main types of Vendor Fraud
  - Invoices with inflated prices (toner)
  - Requests that look like Invoices
  - Yellow pages and Internet directory “ads”
  - Invoices for goods or services not provided
  - (help wanted “ads”)
  - Checks that sign you up for a service if you deposit them (may appear to be refunds, rebates or credits for a small amount)

# Know Your Vendors

# Know Your Vendors

## Who was or is being acquired?

- Bank One
- FleetBoston Financial
- GreenPoint Financial
- Provident Financial
- Regions Financial
- Wachovia
- SouthTrust
- Bank of America
- First Union
- JP Morgan Chase
- National City
- North Fork Bancorp
- Union Planters
- Wachovia

# Know Your Vendors

## How are these related?

- Accountemps
- OfficeTeam
- Protiviti
- RHI
- Robert Half International
- The Affiliates
- The Creative Group

# Know Your Vendors

## How are these related?

- Marriott
- JW Hotels
- Renaissance
- Courtyard
- Residence Inn
- Fairfield Inn
- TownePlace Suites
- SpringHill Suites
- Ritz-Carlton
- ExecuStay
- Executive Apartments



# Comply with Laws and Regulations

# Comply with Laws and Regulations

## Some Laws and Regs

- Independent Contractor and 1099s
- Non-Resident Alien and 1042-S
- Graham Leach Bliley Privacy Act
- Health Insurance Portability and Accountability Act (HIPAA)
- Office of Foreign Assets Control (OFAC)
- Foreign Terrorist Organizations (FTO)
- Patriot Act
- Sarbanes Oxley

# Where you spend your money

# Where you spend your money

- Who has the information
  - Purchasing thinks they know
  - A/P has most of the data
- Ways you may want to analyze spend
  - By Vendor
  - By Commodity
  - By Dollar Amount
  - By Transaction Volume

# Where you spend your money By Vendor

- Top 100 vendors by dollars
  - 50% of dollars
  - 10% of transaction volume
- Top 10 vendors by transaction volume
  - 50% of transaction volume
  - 10% of dollars
- Potential problems with such analysis
  - Who you pay may not be who you buy from
    - Leases, P-Card transactions



# Where you spend your money By Commodity



- What you buy depends on your industry
- Some big expenditures for most
  - Information Technology (Hardware, Software, Consulting)
  - Telecommunications
  - Rent
  - Insurance
  - Taxes (income, property, sales, use, VAT)
- Potential problems with such analysis
  - SIC or NAICS Code is not useful
  - G/L Code may be helpful

# Where you spend your money By Dollar Amount



- Transaction Amount
  - 1/3 - 1/2 of all transactions under \$100
  - 1/3 of all transactions between \$100 and \$500
- 50% of vendors
  - 1% of dollars
  - 5% of transaction volume
- 1% of vendors
  - paid less than \$10

# Where you spend your money By Transaction Volume



- Highest transactions volumes
  - Airbills
  - Freight
  - Telecommunications
  - Temporary Help
  - Office Supplies
- Lowest transaction volumes
  - 20% - 80% have no activity in last year
  - 50% of active have 1 transaction

# Reduce Duplicate Payments

# Reduce Duplicate Payments

## How Vendor File Impacts Dups



- Every major software package checks for duplicates based on Vendor Id and Invoice #
- Duplicate check fails if
  - Identical vendor under multiple vendor ids
    - Variation on vendor name
    - System does not support multiple addresses
  - Vendor at different remit address is selected
  - Vendor under previous or new name is selected
  - Related vendor is selected

# Save Money

# Save Money

- Purchase Smarter
  - Negotiate better pricing
- Process Smarter
  - Reduce manual effort
- Pay Smarter
  - Improve terms and cash flow

# A Vendor Management Program



# A Vendor Management Program

- Assess
- Purge/Block/Flag
- Cleanup
- Enhance
- Analyze
- Improve

# A Vendor Management Program Assess



- Obtain a copy of your Vendor Master file(s) and Transaction Activity (PO and Invoice) data
- Analyze all fields for patterns, issues, inconsistencies
- Review your Vendor Setup and Maintenance Processes and Controls
- Document Preliminary Recommendations

# A Vendor Management Program Purge / Block / Flag



- Purge or Block Inactive Vendors
  - Vendors with no activity within last X months
  - Vendors with Do Not Use or equivalent in Name or Address fields
  - Vendors that you “know” are no longer needed
- Purge or Block Low Active Vendors
  - Vendors used once or very infrequently

# A Vendor Management Program Purge / Block / Flag (Cont'd)



- Identify and Review for Vendors that are
  - Your Own Company, Subsidiaries, Affiliates
  - Employees
  - Officers and Directors
  - External Audit Firm(s)
  - Sensitive Vendors
  - On the OFAC SDN List

# A Vendor Management Program Cleanup



- Flag Redundant (Duplicate) Vendors
  - equivalent name and address
- Link Related Vendors
  - Same Vendor
  - Same Franchise
- Augment with Zip+4
- Standardize Names
- Normalize Addresses
  - US - use USPS rules
  - Non-US - use UPU rules for country

A/P RECAP

# A Vendor Management Program Cleanup (Cont'd)



- Standardize Phone #s and Tax Ids
- Standardize Terms and Other Fields
- Other Vendors You May Want to Look At
  - Federal Government Departments and Agencies
  - States
  - Local Governments
  - Postal Service
  - Garnishments
  - Petty Cash
  - Foreign

# A Vendor Management Program Cleanup (Cont'd)



- Name Problems and Issues
  - Vendor Names beginning with DR, MR, MS, etc.
  - Vendor Names beginning with THE
  - Names with Apostrophes, Hyphens or other Special Characters
  - Names beginning with DEPT
  - Names Too Long, Abbreviations
  - ATTN, D/B/A, C/O, A/K/A, T/A, K/A, F/K/A, FORMERLY, F/B/O, O/B/O, etc.

# A Vendor Management Program Cleanup (Cont'd)

- Address Problems and Issues
  - Abbreviations, Numbers as Words
  - Dual Addresses
  - PO BOX Addresses
  - “Bad” Addresses (many types of problems)
- Phone and Tax Id Problems and Issues
  - Too Short, Too Long
  - Same Name, Different Tax Id or Phone
- Some Other Fields
  - 1099Type
  - Payment Terms and Default Discounts
  - Default G/L Code



# A Vendor Management Program Enhance



- IRS TIN - Name Consistency
  - Verify Name and TIN against IRS data
- OFAC and FTO Checks
  - Check vendors against OFAC and FTO lists
- Augment from 3rd Party Databases
  - Add D&B Numbers
  - Add SIC or NAICS codes
  - Add Credit Information

# A Vendor Management Program Enhance (Cont'd)

- Augment via Contact with Vendor
  - Obtain Substitute W-9
  - Obtain MOB, WOB, etc.
  - Obtain Information to Categorize Vendor
  - Obtain Contact, E-mail, Web site
  - Determine if Vendor takes P-Cards
  - Sign up Vendor for Payment via ACH or FEDI

# A Vendor Management Program Analyze



- By Volume and Dollars
  - High vs. Low Transaction Volume
  - High vs. Low Dollar Volume
- By G/L and/or Commodity
- By Organization and Location

# A Vendor Management Program Analyze

## Vendor Stratification

	Low \$Total	High \$Total
Low # Txns	Eliminate PCards	Better Prices  Better Terms
High # Txns	Electronic Input	Better Prices Electronic Input Better Terms

# A Vendor Management Program Improve



- Incorporate Name and Address Rules into your vendor setup process
- Require Substitute W-9s
- Verify Vendors
  - Use free web sites
- Enhance Vendor Communications
  - Provide vendors with a “how to do business with us”
- Purchase, Process & Pay Smarter

# Best Practices

# Best Practices

- Verify vendors and dual review before adding
- Always send out a substitute W9 and welcome packet
- Require vendors to sign a business practices statement
- Purge and cleanup every year
- Use standard rules for names and addresses
- Always capture phone number, etc.
- Apply appropriate strategy

# One last thing

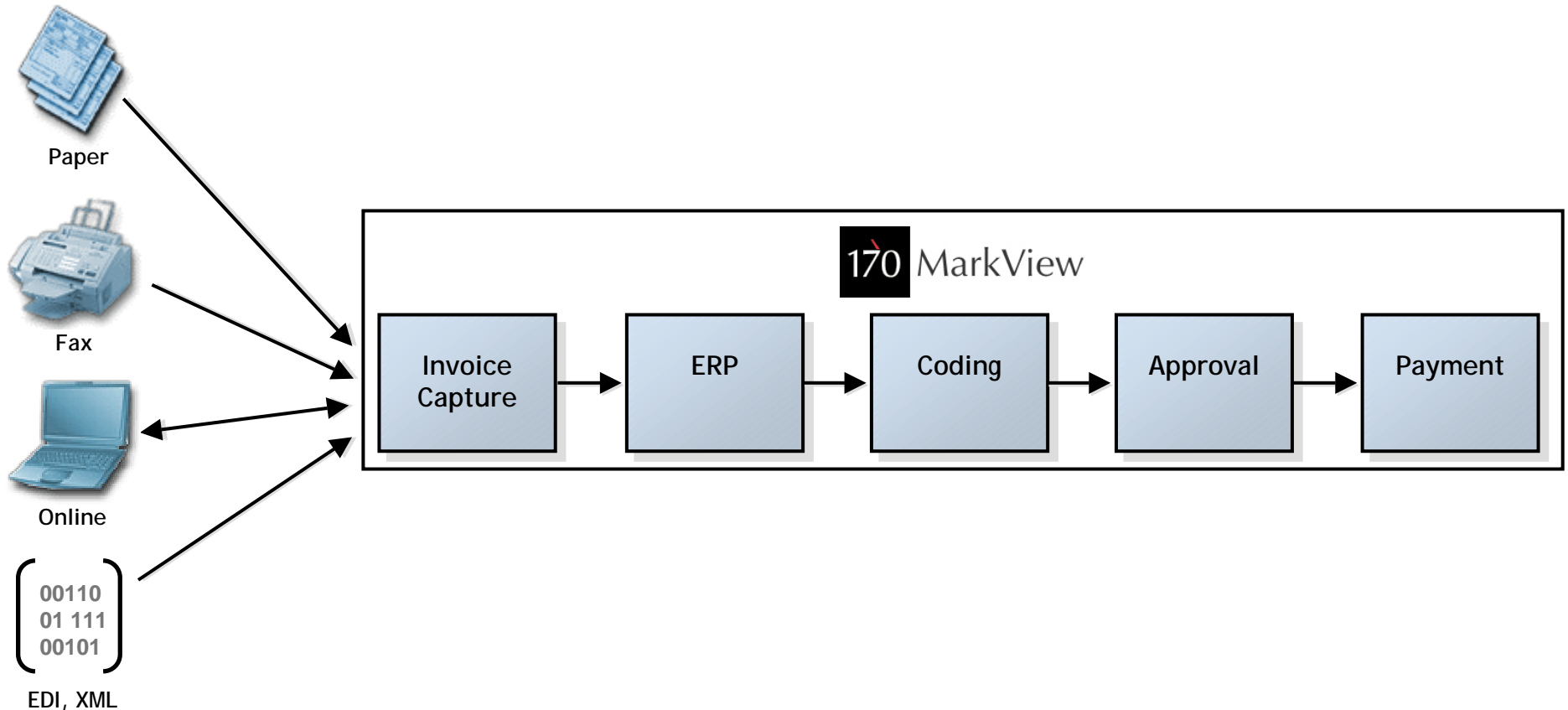
Managing your vendor file is a process not a project



# Agenda

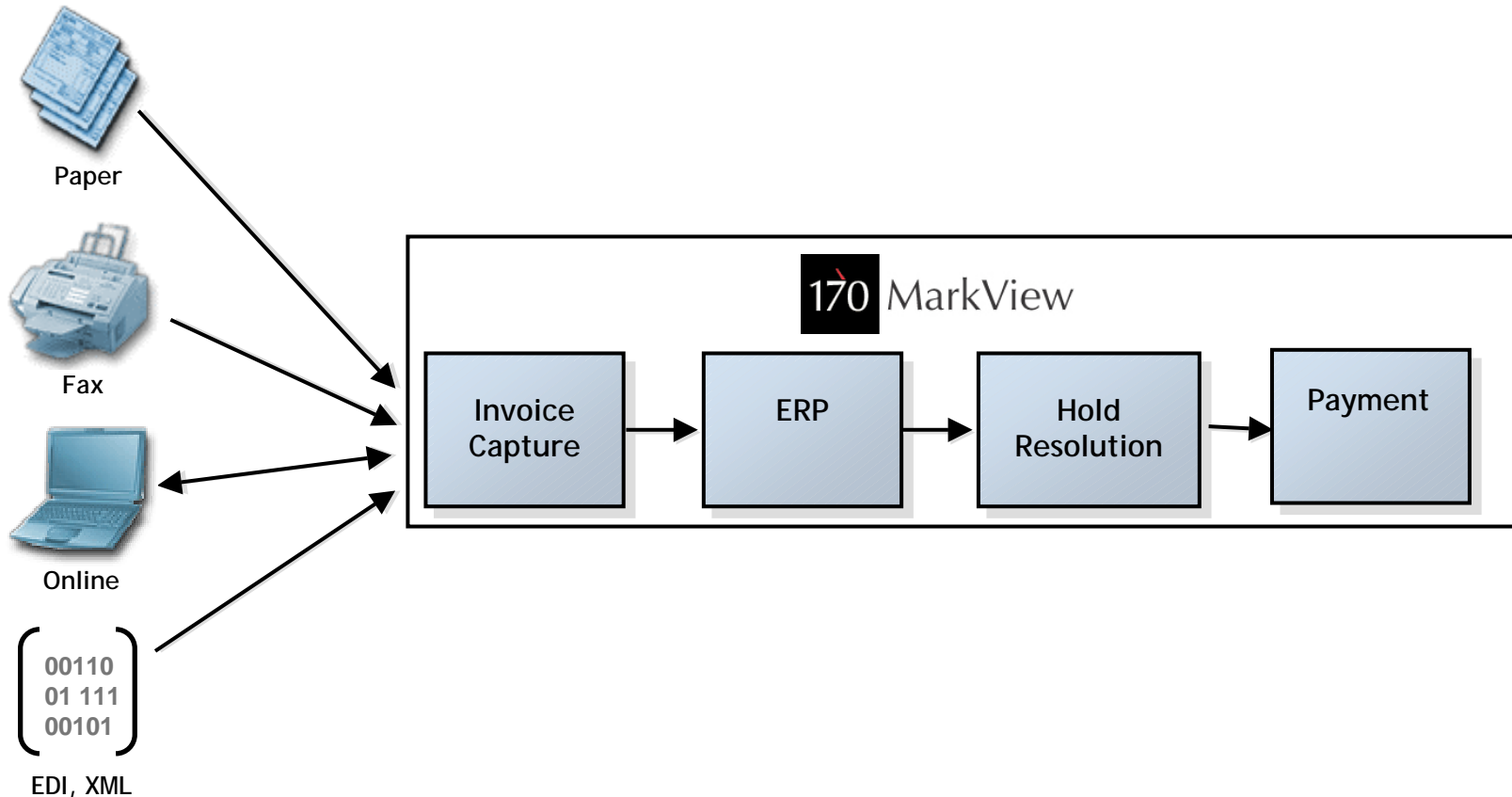
- Best Practice Workflows
- Strong Internal Controls
  - Segregation of Duties
    - Vendor Maintenance segregated from invoice processing
    - Vendor Maintenance sub-process steps segregated as well
  - Automatic Enforcement of Corporate Policies and Procedures
    - Address checks
    - Requirement of W9's
- Complete online vendor documentation

# 170 MarkView for Accounts Payable: Best Practice Non-PO Process



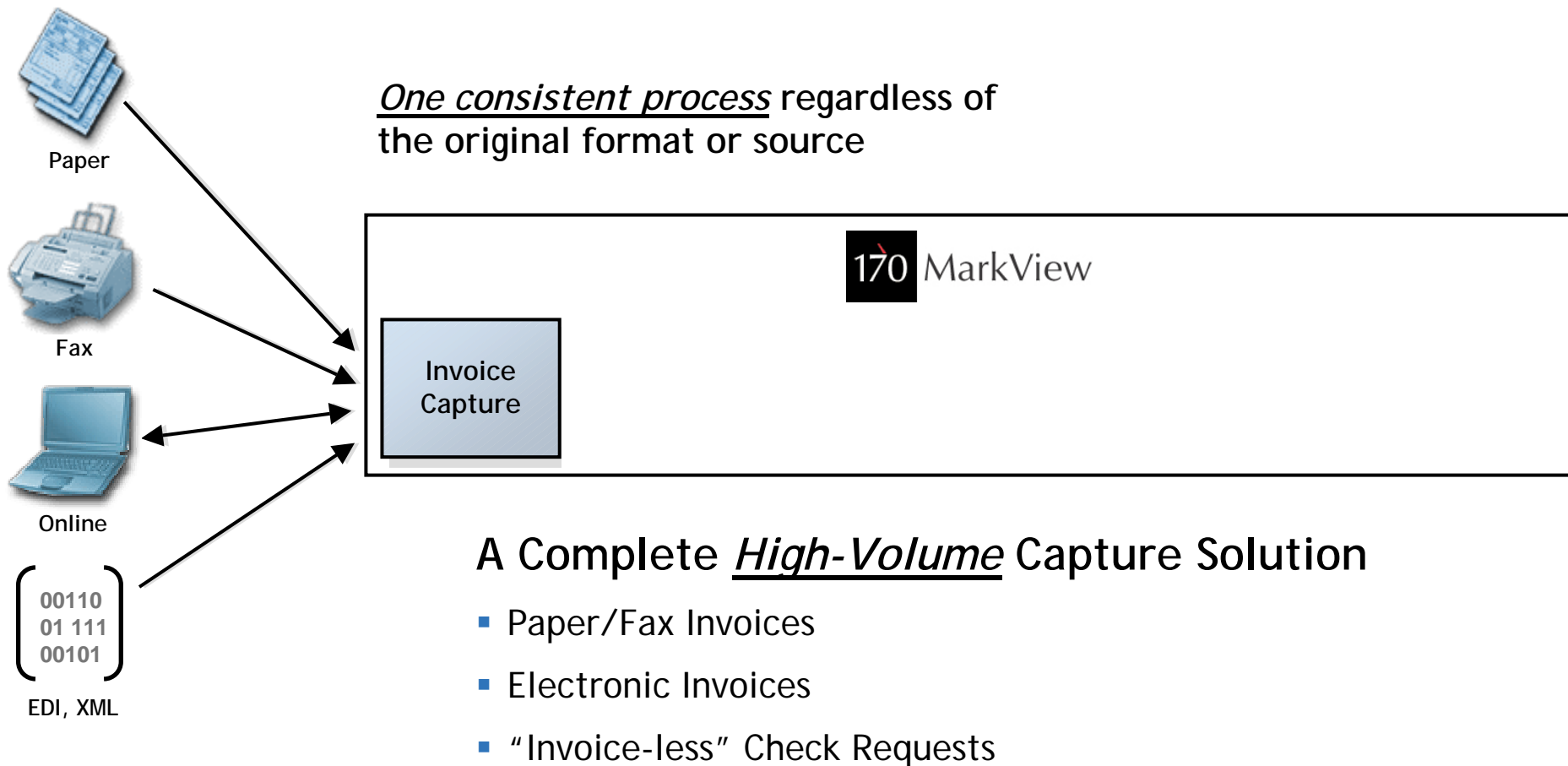
A/P RECAP

# 170 MarkView for Accounts Payable: Best Practice PO Process



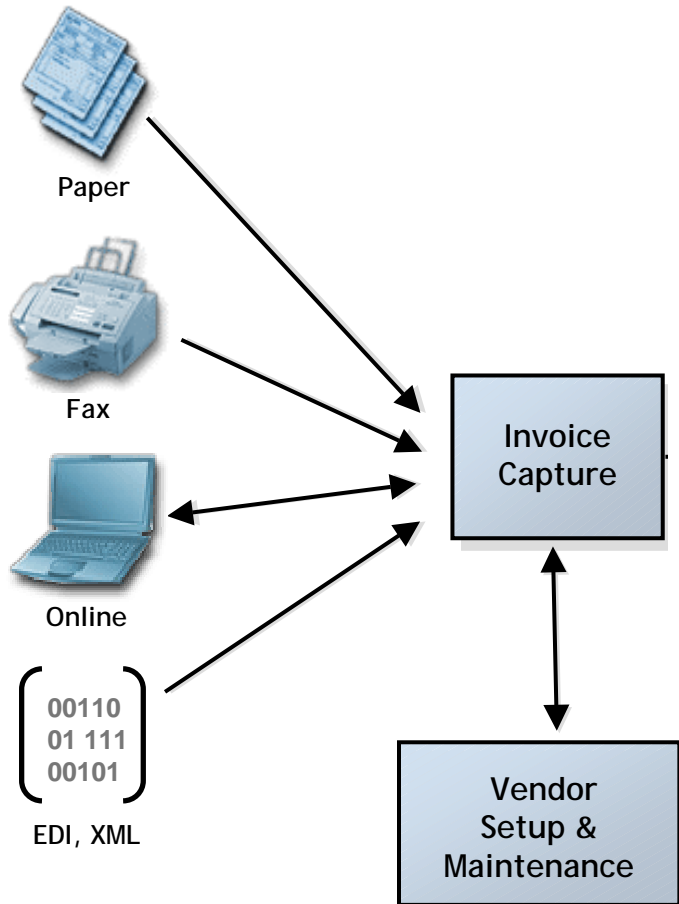
A/P RECAP

# 170 MarkView for Accounts Payable: A Complete *High-Volume* Capture Solution



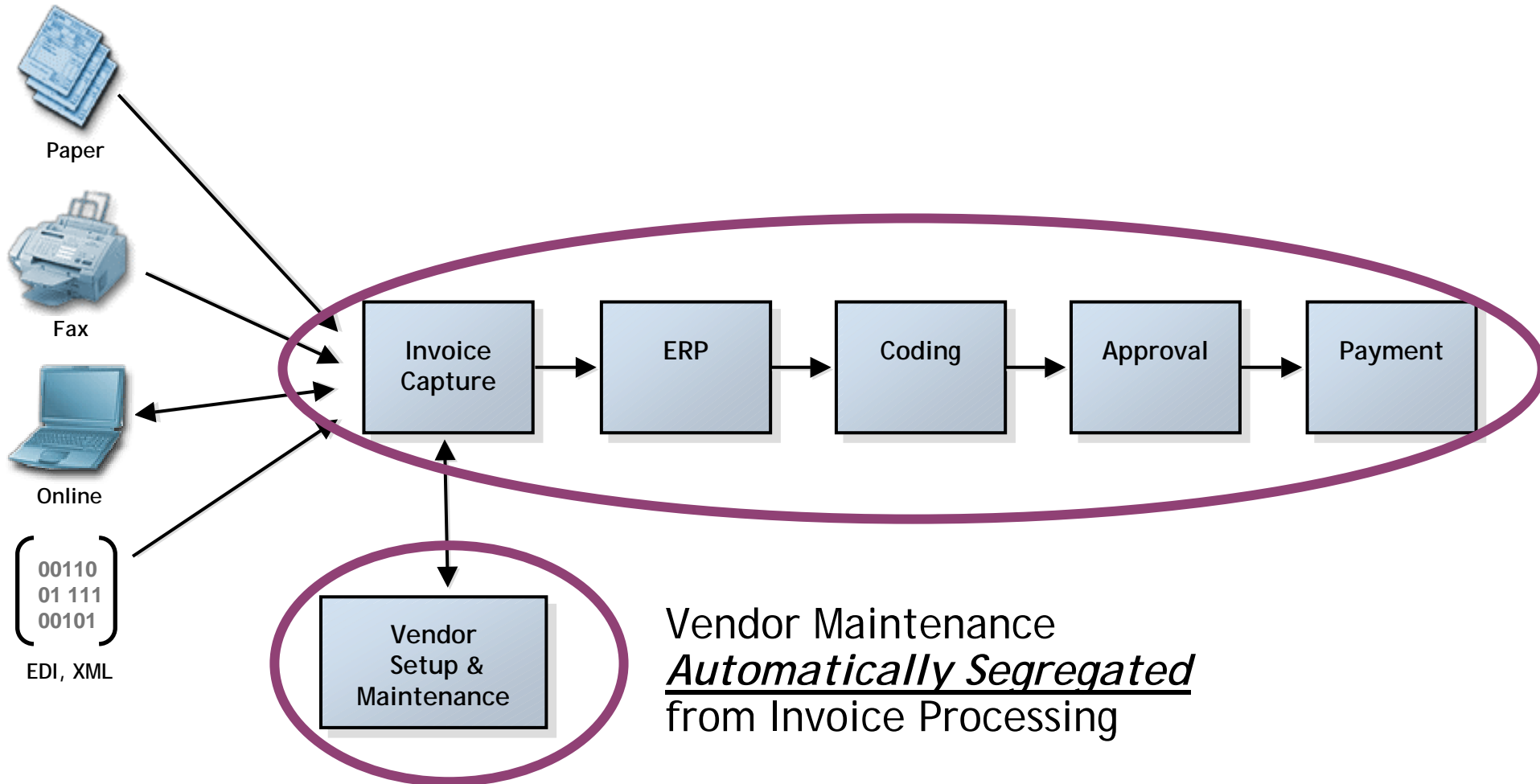
A/P RECAP

# 170 MarkView for Accounts Payable: Vendor Setup & Maintenance



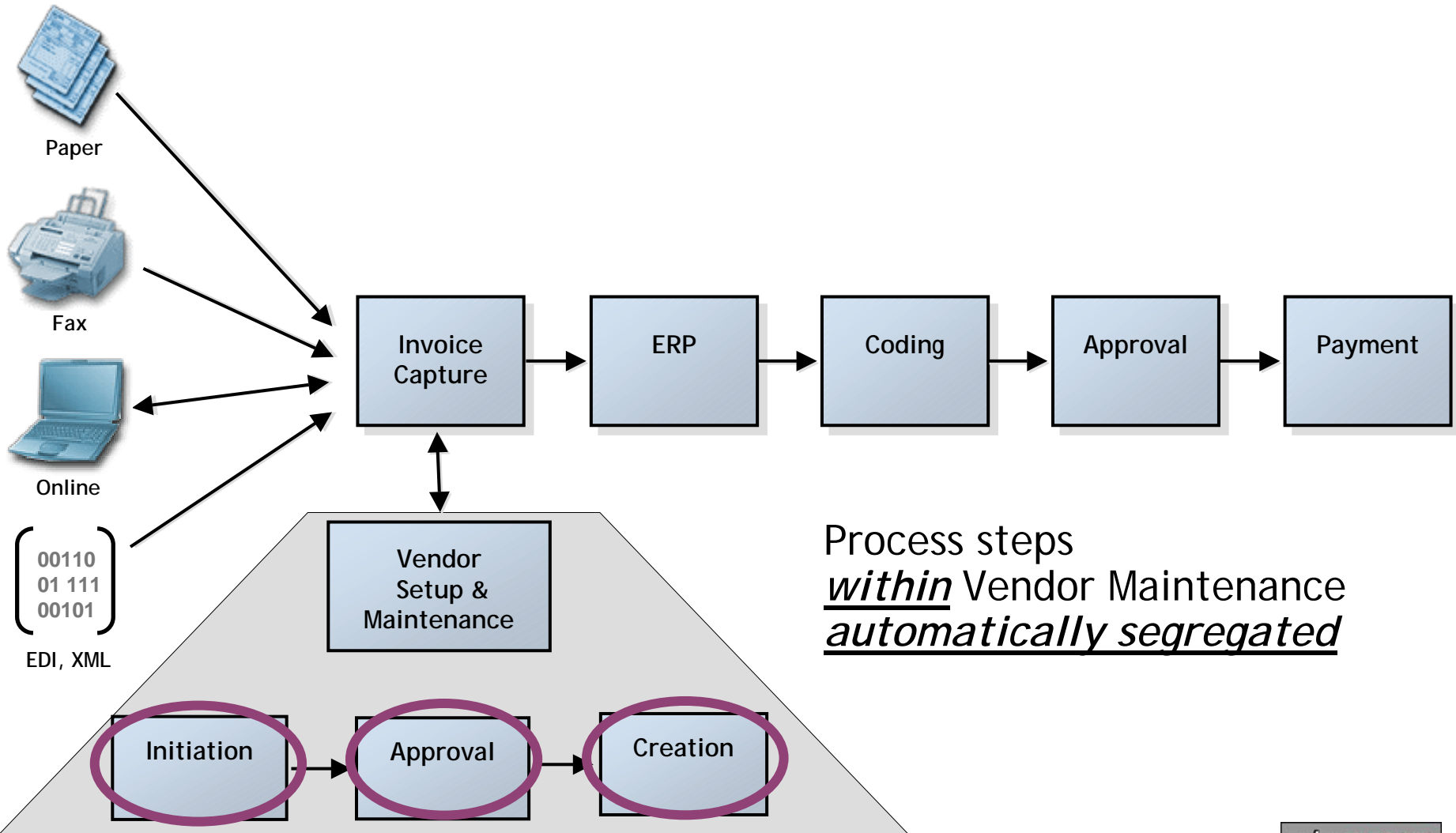
A/P RECAP

# 170 MarkView for Accounts Payable: Segregation of Duties



A/P RECAP

# 170 MarkView for Accounts Payable: Segregation of Duties



A/P RECAP

# ERP Invoice Entry: Segregated Vendor Maintenance

Oracle Applications

File Edit View Folder Tools Window Help

Invoices

Batch Control Total  
Actual Total

Type	Supplier	Supplier Num	Site	Invoice Date	Invoice Num	Invoice Curr	Invoice Amount
Standard						USD	

Amount Paid  
USD 0.00

Holds  
Status: Never Validated  
Approval: Not Required

Distribution Total: 0.00  
Accounted: No  
Desc:

Actions... 1 Holds Payments Match Purchase Order

Scheduled Payments Overview Distributions



# ERP Invoice Entry: Segregated Vendor Maintenance



Oracle Applications

File Edit View Folder Tools Window Help

Invoices

Batch Control Total

Actual Total

Type	Supplier	Supplier Num	Site	Invoice Date	Invoice Num	Invoice Curr	Invoice Amount
Standard						USD	

Amount Paid  USD  0.00

Holds ☐

Status **Never Validated**

Approval **Not Required**

Distribution Total  0.00

Accounted **No**

Desc

Actions... 1 Hglds Payments Match Purchase Order

Scheduled Payments Overview Distributions

170 MarkView Viewer Web Edition -- Non-PO Invoice: A-1 Lighting (7090B) - Pg 1 of 2

**A1 Lighting**

4202 Beale Street, Sacramento, CA 94032  
Phone: 1 916 333 0300 Fax: 1 916 333 0310

**INVOICE 7090B**

Date: 10-Aug-03

Ship To: Global Manufacturing, Inc.  
Attn: Receiving  
140 Global Parkway  
Sacramento, CA 95670

Bill To: Global Manufacturing, Inc.  
Attn: Brad Lipman  
140 Global Parkway  
Sacramento, CA 95670

Order #:	Terms:	Ship Via:	Salesperson:
	2/10 Net 30	DHL	Jeanne Simms

Product ID:	Product Name:	Quantity:	Unit Price:	Discount:	Extended Price:
1134	TECH WALL FIXTURE	115	1000.00	0%	115,000.00
23002	WILSON SEMI-FLUSH LIGHTS	50	250.00	0%	12,500.00
322-14-5	500 FT ROLL 14 GAUGE WIRE	1	500.00	0%	500.00
665	ELECTRICAL RECEPTION BOX	1	2250.00	0%	2250.00
	25 LINES				
	XTNS FOR 3 ADDITIONAL BOXES				
	3 VIEWERS				
	3 EXPANSION MANUALS				

Page 1 of 2

# ERP Invoice Entry: Segregated Vendor Maintenance

170  
SYSTEMS

Oracle Applications

File Edit View Folder Tools Window Help

Invoices

Batch Control Total

Actual Total

Type	Supplier	Supplier Num	Site	Invoice Date	Invoice Num	Invoice Curr	Invoice Amount
Standard						USD	

Amount Paid

USD 0.00

Holds ☐

Status **Never Validated**

Approval **Not Required**

Distribution Total 0.00

Accounted **No**

Desc

Actions... 1 Hlds Payments Match Purchase Order

Scheduled Payments Overview Distributions

170 MarkView Viewer Web Edition -- Non-PO Invoice: A-1 Lighting (7090B) - Pg 1 of 2

**A1 Lighting**

1262 Beale Street, Sacramento, CA 95832  
Phone: 1-916-333-0300 Fax: 1-916-333-0310

**INVOICE 7090B**

Date: 10-Aug-03

**Ship To:** Global Manufacturing, Inc.  
Attn: Receiving  
140 Global Parkway  
Sacramento, CA 95670

**Bill To:** Global Manufacturing, Inc.  
Attn: Brad Lipman  
140 Global Parkway  
Sacramento, CA 95670

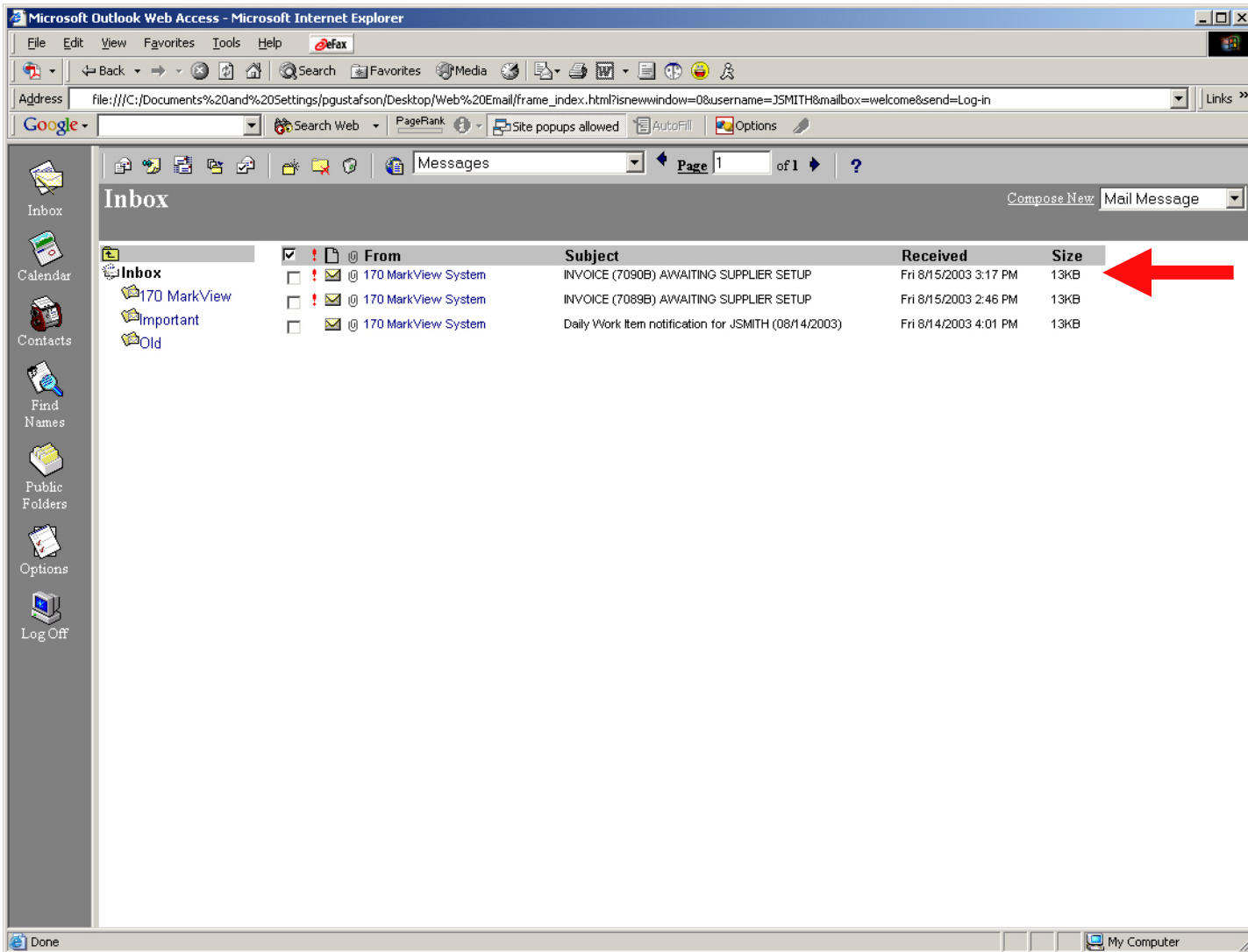
Order #.	Terms:	Ship Via:	Salesperson:
	2/10 Net 30	DHL	Jeanne Simms

Product ID:	Product Name:	Quantity:	Unit Price:	Discount:	Extended Price:
1134	TFCH WAI I FIXTURE	115	1000.00	0%	115,000.00
23002	WILSON SEMI-FLUSH LIGHTS	50	250.00	0%	12,500.00
322-14-5	500 FT ROLL 14 GAUGE WIRE	1	500.00	0%	500.00
665	ELECTRICAL RECEPTION BOX	1	2250.00	0%	2250.00
	25 LINES				
	XTNS FOR 3 ADDITIONAL BOXES				
	3 VIEWFERS				
	3 EXPANSION MANUALS				

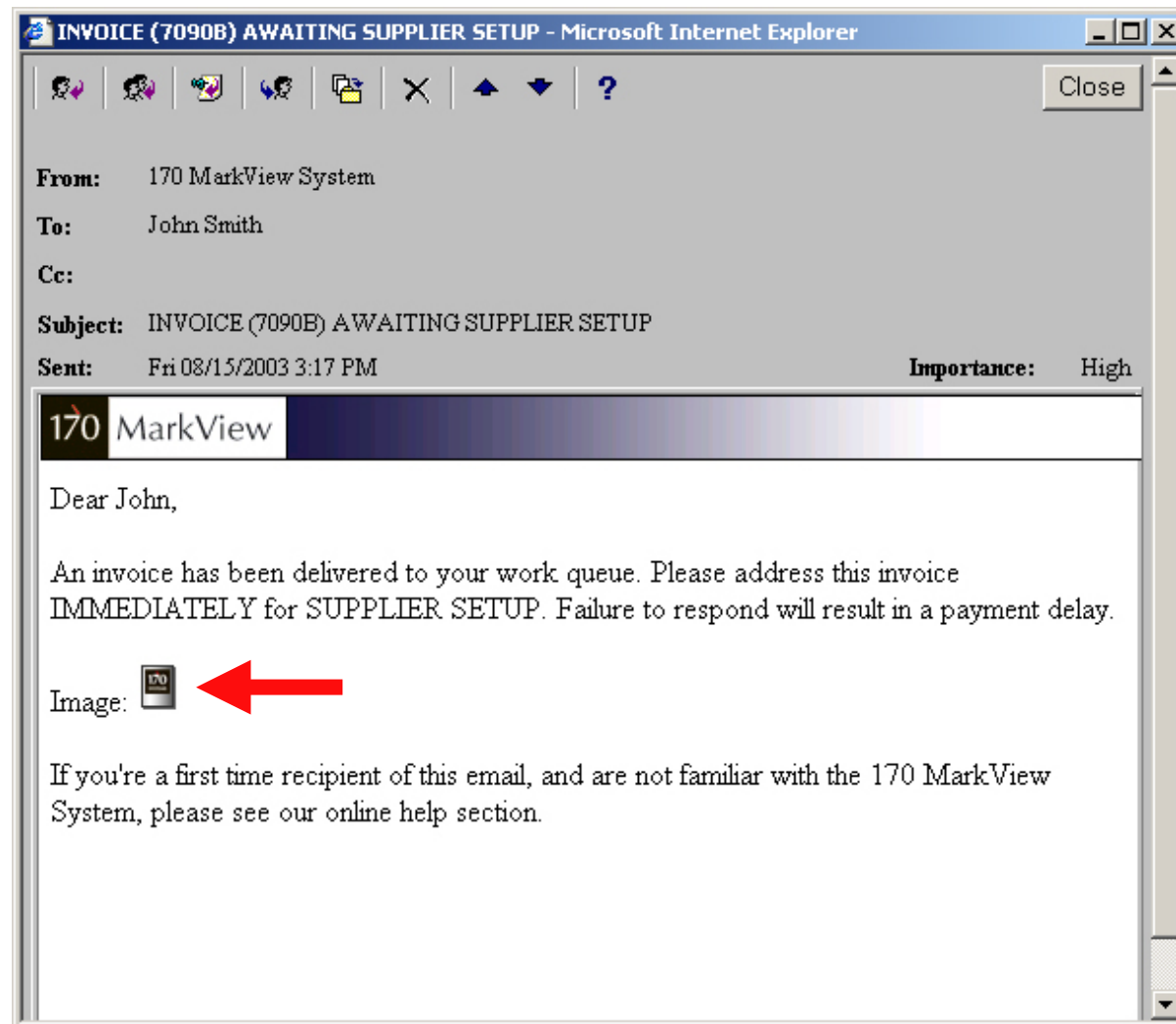
Page 1 of 2

**SUPPLIER MAINTENANCE REQUESTED**

# ERP Invoice Entry: Segregated Vendor Maintenance



# ERP Invoice Entry: Segregated Vendor Maintenance



# ERP Invoice Entry: Segregated Vendor Maintenance


**INVOICE (7090B) AWAITING SUPPLIER SETUP - Microsoft Internet Explorer**

From: 170 MarkView System  
To: John Smith  
Cc:  
Subject: INVOICE (7090B) AWAITING SUPPLIER SETUP  
Sent: Fri 08/15/2003 3:17 PM

**170 MarkView**

Dear John,

An invoice has been delivered to your work queue. Please address this invoice IMMEDIATELY for SUPPLIER SETUP. Failure to respond will result in a p

Image: 

If you're a first time recipient of this email, and are not familiar with the 170 M System, please see our online help section.

**170 MarkView Viewer Web Edition -- Non-PO Invoice: A-1 Lighting (7090B) - Pg 1 of 2**

**A1 Lighting**  
1262 Beale Street, Sacramento, CA 95832  
Phone: 1-916-333-0300 Fax: 1-916-333-0310

**INVOICE 7090B**  
Date: 10-Aug-03

**Ship To:** Global Manufacturing, Inc.  
Attn: Receiving  
140 Global Parkway  
Sacramento, CA 95670

**Bill To:** Global Manufacturing, Inc.  
Attn: Brad Lipman  
140 Global Parkway  
Sacramento, CA 95670

Order #.	Terms:	Ship Via:	Salesperson:
	2/10 Net 30	DHL	Jeanne Simms

Product ID:	Product Name:	Quantity:	Unit Price:	Discount:	Extended Price:
1134	TFCH WAI I FIXTURE	115	1000.00	0%	115,000.00
23002	WILSON SEMI-FLUSH LIGHTS	50	250.00	0%	12,500.00
322-14-5	500 FT ROLL 14 GAUGE WIRE	1	500.00	0%	500.00
665	ELECTRICAL RECEPTION BOX 25 LINES XTNS FOR 3 ADDITIONAL BOXES 3 VIEWFERS 3 EXPANSION MANUALS	1	2250.00	0%	2250.00

**SUPPLIER MAINTENANCE REQUESTED**

Page 1 of 2

*This vendor needs to be set up.*

# ERP Invoice Entry: Segregated Vendor Maintenance


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Cc:  
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**170 MarkView Viewer Web Edition -- Non-PO Invoice: A-1 Lighting (7090B) - Pg 1 of 2**

**A1 Lighting**  
1202 Beale Street, Sacramento, CA 95670  
Phone: 1-916-333-0300 Fax: 1-916-333-0310

**INVOICE 7090B**  
Date: 10-Aug-03

**Ship To:** Global Manufacturing, Inc.  
Attn: Receiving  
140 Global Parkway  
Sacramento, CA 95670

**Bill To:** Global Manufacturing, Inc.  
Attn: Brad Lipman  
140 Global Parkway  
Sacramento, CA 95670

Order #:	Terms:	Ship Via:	Salesperson:
	2/10 Net 30	DHL	Jeanne Simms

Product ID:	Product Name:	Quantity:	Unit Price:	Discount:	Extended Price:
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322-14-5	500 FT ROLL 14 GAUGE WIRE	1	500.00	0%	500.00
665	ELECTRICAL RECEPTION BOX	1	2250.00	0%	2250.00
	25 LINES				
	XTNS FOR 3 ADDITIONAL BOXES				
	3 VIFVIFRS				
	3 EXPANSION MANUALS				

**SUPPLIER MAINTENANCE REQUEST** **SUPPLIER MAINTENANCE COMPLETED**

# ERP Invoice Entry: One-time Indexing

Oracle Applications

File Edit View Folder Tools Window Help

Invoices

Batch Control Total

Actual Total

Type	Supplier	Supplier Num	Site	Invoice Date	Invoice Num	Invoice Curr	Invoice Amount
Standard	A-1 Lighting	47	SACRAM	10-AUG-2003	7090B	USD	139,700.00

Amount Paid: USD 0.00

Holds: 0

Status: Never Validated

Approval: Not Required

Distribution Total: 0.00

Accounted: No

Desc:

Actions... 1 Holds Payments Match Purchase Order

Scheduled Payments Overview Distributions

- One-time Indexing
- Indexing from image instead of paper
- Permanent association on save

170 MarkView Viewer Web Edition -- Non-PO Invoice: A-1 Lighting (7090B) - Pg 1 of 2

**A1 Lighting**

1202 Beale Street, Sacramento, CA 95632  
Phone: 1-916-333-0300 Fax: 1-916-333-0310

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322-14-5	500 FT ROLL 14 GUAGE WIRE	1	500.00	0%	500.00
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	3 VIFWFRS				
	3 EXPANSION MANUALS				

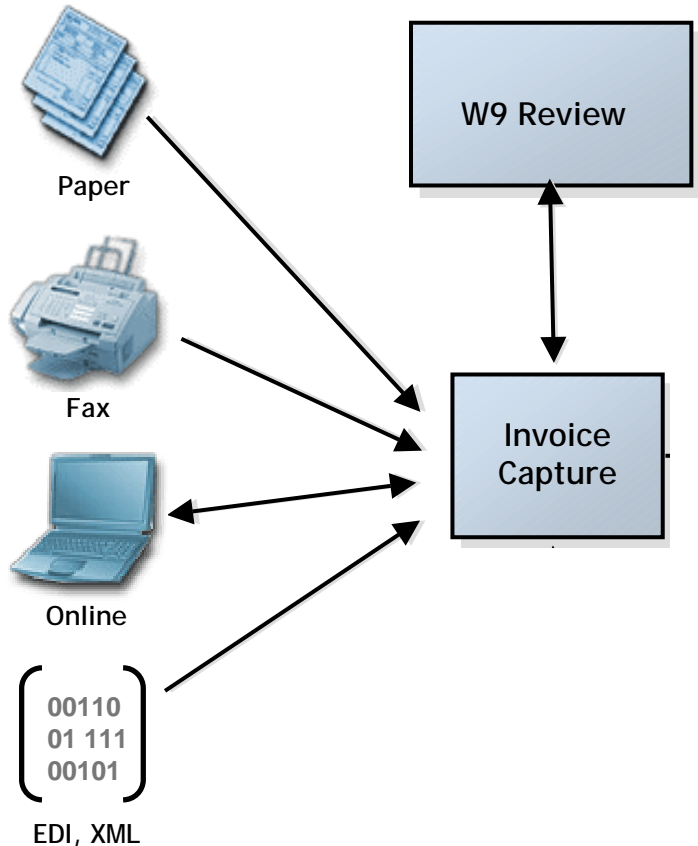
SUPPLIER MAINTENANCE REQUESTED

SUPPLIER MAINTENANCE COMPLETED

This vendor needs to be set up.



# 170 MarkView for Accounts Payable: Enforcing Corporate Policies and Procedures

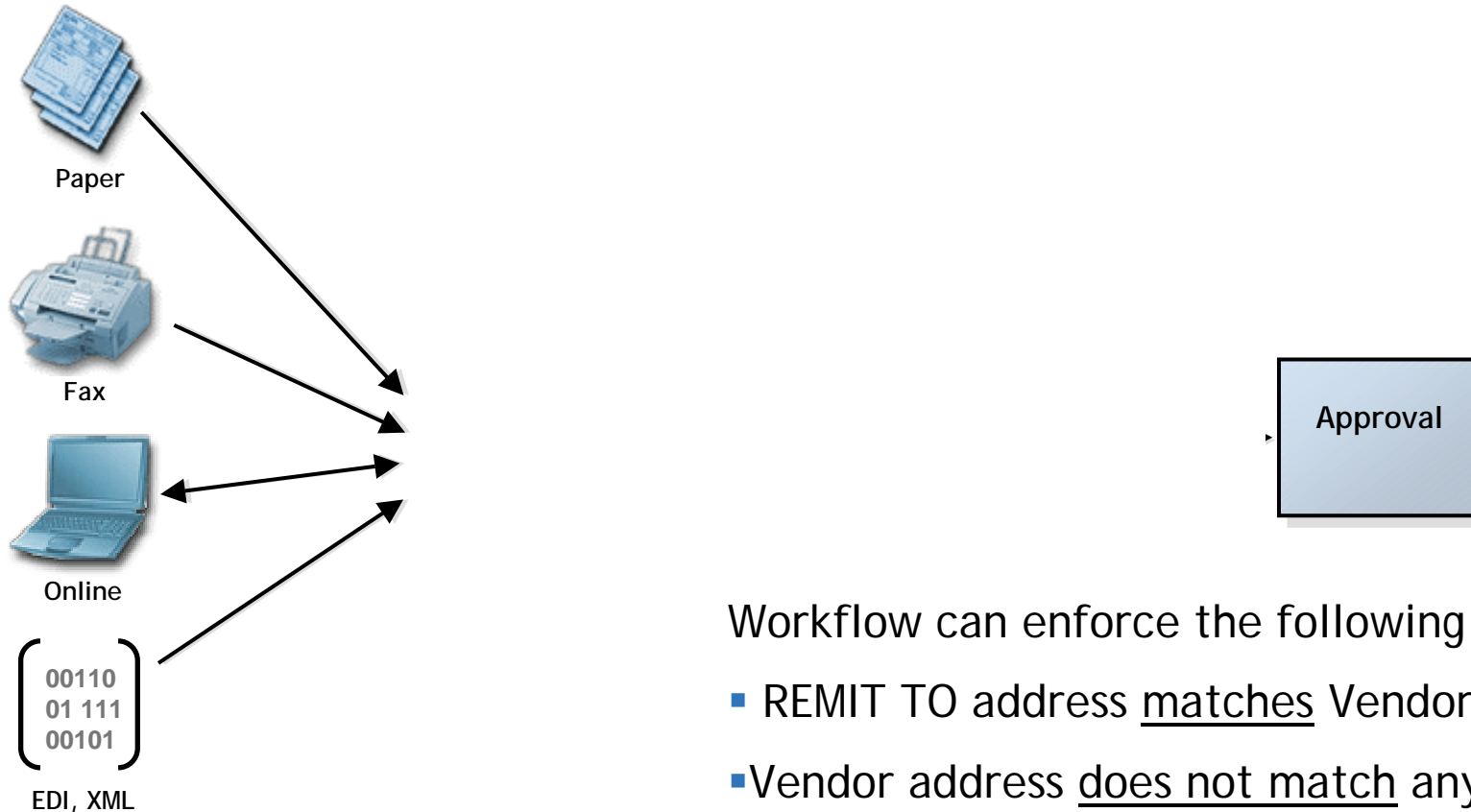


Example:

- Workflows can enforce requirement of W9's
- If no W9 attached to vendor record, invoice routed for review



# 170 MarkView for Accounts Payable: Enforcing Corporate Policies and Procedures

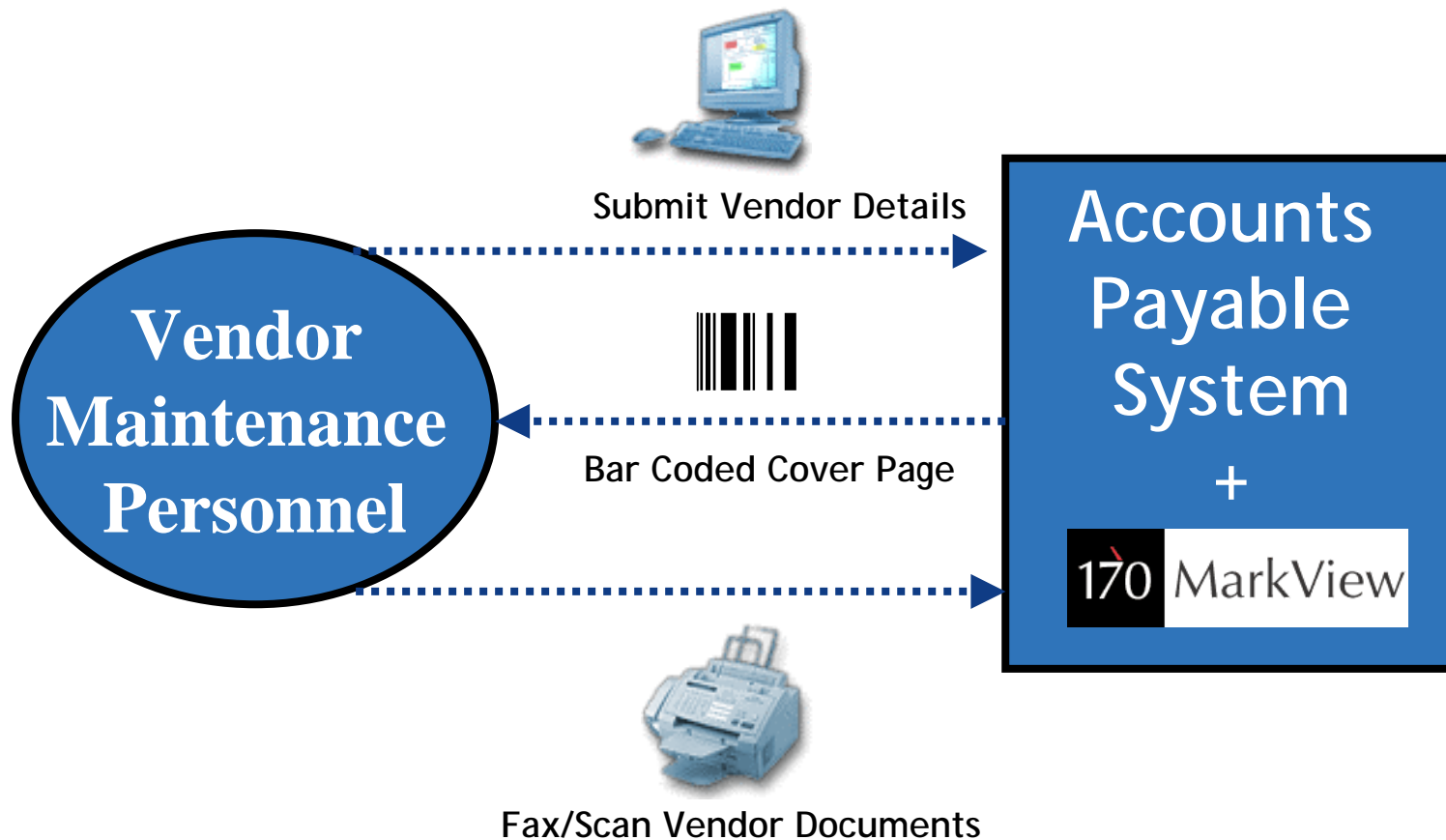


Workflow can enforce the following checks:

- REMIT TO address matches Vendor Record address
- Vendor address does not match any employee's address

A/P RECAP

# Attaching Vendor Documents



# Viewing Vendor Documents

Oracle Applications - ADS Vision LM0001

File Edit View Folder Tools Window Help

Suppliers (Vision Operations: USD)

Supplier Name  Supplier Number

**Find Suppliers**

Supplier Name  Supplier Number

Alternate Name

Taxpayer ID  Tax Registration Number

Inactive Dates  -  One Time

Supplier Type

Employee Name  Employee Number

Parent Supplier  Parent Number

Payment Priorities  -

Reporting Name

Payment Terms

Pay Group

**Reportable**

Federal

Income Tax Type

State

Clear New Find

Sites

Record: 1/1 | ... | List of Valu... | <OSC>

# Viewing Vendor Documents

Oracle Applications - ADS Vision LM0001

File Edit View Folder Tools Window Help

Suppliers (Vision Operations: USD)

Supplier Name **A1 Lighting** Supplier Number **8020**

Alternate Name

Taxpayer ID **15-5050505** Tax Registration Number

Inactive On [ ]

General Classification Accounting Control Payment Bank Accounts EDI Invoice Tax Withholding Tax

Parent Supplier Name Number

Customer Number

Sites

Record: 1/1 | | ... | | <OSC>

# Viewing Vendor Documents

Oracle Applications - ADS Vision LM0001

File Edit View Folder Tools Window Help

Suppliers (Vision Operations: USD)

Supplier Name **A1 Lighting** Supplier Number **8020**

Alternate Name

Taxpayer ID **15-5050505** Tax Registration Number

Inactive On

Attachments - A1 Lighting, ,

General Classif

Seq	Category	Description	Data Type	May Be Changed
<b>10</b>	<b>MarkView</b>	<b>W-9</b>	<b>MarkView Doc</b>	<input checked="" type="checkbox"/>
20	MarkView	Contract	MarkView Doc	<input checked="" type="checkbox"/>
30	MarkView	Proof of Insurance	MarkView Doc	<input checked="" type="checkbox"/>
40	MarkView	Correspondence Letter 01/10/2005	MarkView Doc	<input checked="" type="checkbox"/>

Entity Name Supplier

Magnification **100%** ☒

**Show MarkView Document** Associate MarkView Document

Record: 1/4 | | | | <OSC>

# Viewing Vendor Documents

Oracle Applications - ADS Vision LM0001

File Edit View Folder Tools Window Help

Suppliers (Vision Operations: USD)

Supplier Name **A1 Lighting** Supplier Number

Alternate Name

Taxpayer ID **15-5050505** Tax Registration Number

Inactive On

Attachments - A1 Lighting, ,

Seq	Category	Description
10	MarkView	W-9
20	MarkView	Contract
30	MarkView	Proof of Insurance
40	MarkView	Correspondence Letter 01/10/2005

Entity Name Supplier

Magnification 100%

Show MarkView Document Associate Mark

Record: 1/4

APENTRY01: Page 1 of 4 for Batch Number 38, Document ID 36

**W-9**  
Form (Rev. January 2003)  
Department of the Treasury  
Internal Revenue Service

**Request for Taxpayer Identification Number and Certification**

Give form to the requester. Do not send to the IRS.

Name (as shown on your income tax return)  
**A1 LIGHTING**

Business name, if different from above

Check appropriate box: ☐ Individual ☐ Sole proprietor ☒ Corporation ☐ Partnership ☐ Other

Address (number, street, and apt. or suite no.)  
**4202 Beale St.**

City, state, and ZIP code  
**Sacramento, CA 94032**

List account numbers here (optional)

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 3. Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification instructions: You must cross out form 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4)

Sign Here Signature of U.S. person Date

**Purpose of Form**

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.** Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

- The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
- The treaty article addressing the income.
- The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

Cat. No. 10231K Form W-9 (Rev. 1-2003)

# Anti-Fraud Benefits of Complete Online Vendor Documentation



- Comprehensive audit trail
  - Complete online documentation support for all entries and changes promotes a complete audit trail
  - Notes can be recorded directly on the document
- Less costly internal/external audits
- Streamlined review of vendor summary data
- More efficient create/merge/purge process

# Severe Risks of Poor Vendor Controls

- Fraud
- Non-compliance with laws & regulations
- Duplicate payments
- Second-rate purchasing decisions
- Poor Cash Management
- Fallout of internal control weakness disclosures
  - Share prices fall
  - Credit rating downgrades
  - Shareholder lawsuits
  - CFO is fired or resigns
  - Increased Audit Fees



# Now What To Do? - 4 Choices

1. Personalized Demo and Discussion
2. ROI Analysis
3. PeopleSoft Solution Specialist Forum
  - Next Forum: Wednesday, March 23<sup>rd</sup>
  - 11:00 am (EST) / 8:00 am (PST) / 4:00 pm (GMT)
  - Featured 170 Systems' Speakers:
    - Nord Samuelson, VP of Solution Marketing
    - Rakesh Shukla, Co-Founder
4. Do nothing and hope

*Inquire at [forum@170systems.com](mailto:forum@170systems.com)*

# Please join our Upcoming Webcast

- Mitigate Procure-to-AP Fraud Risk:  
4 Liable Control Deficiencies
  - Wednesday, April 20<sup>th</sup>
  - 11:00 am (EDT) / 8:00 am (PDT) / 4:00 pm (GMT)
  - Featured Speaker: Rich Puccio, Audit Partner, PricewaterhouseCoopers

# Upcoming Events

- **New England Oracle Applications User Group**  
March 21, 2005  
Worcester, MA
- **California State University Financial Officers Association**  
April 3-5, 2005  
San Jose, CA
- **PeopleSoft Southern New England User Group**  
April 8, 2005  
Mashantucket, CT
- **Southwest Oracle Applications User Group**  
April 22, 2005  
Los Angeles, CA
- **International Accounts Payable Professionals**  
April 25-28, 2005  
San Diego, CA

# Q & A

- For more information, please visit <http://www.170systems.com/>
- Or e-mail us at [info@170Systems.com](mailto:info@170Systems.com)
- Or call  
800-788-6170  
+1-781-743-1900

# For More Information

- Contact 170 Systems at 1.800.788.6170 or 781.743.1900, in Europe at +44 (0)208 323 8016, or email [info@170systems.com](mailto:info@170systems.com)
- View Webcast archives at [http://www.170systems.com/about/webcasts\\_archive.cfm](http://www.170systems.com/about/webcasts_archive.cfm)
- Visit 170 Systems at [www.170systems.com](http://www.170systems.com) and RECAP at [www.recapinc.com](http://www.recapinc.com)

# Today's Presenters

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- Jon Casher  
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